

Surveying

Decisions are being made in your golf operation daily about what to charge for a green fee, how much to spend on course maintenance, who to market your course to and even how much you are going to be paid. The basis for these decisions often comes from previous situations, combined with what is happening elsewhere in the market place. Depending on what records are being kept, internal information is available from month to month and year to year however external comparative numbers for your market are not currently available in Canada.

MEANINGFUL NUMBERS

Benchmarking can be defined as "a reference or measurement standard for comparison", and in the Canadian golf industry there are few operational benchmarks available. Benchmark numbers are the starting point in developing budgets and strategic plans and these numbers tell us who is the best in the business, and what that standard is. Without understanding the standard an operator cannot compare their golf facility and demonstrate their value to the customer. The benefit to participating in benchmarking surveys is that numbers become meaningful and not simply anecdotal. In fact, Tom Stine of Golf Datatech notes that since the industry has never had this

information before understanding the value is foreign to operators. Golf Datatech provides detailed rounds played reports for the United States. In Canada, the NGCOA Canada has developed a rounds played report that you can participate in and receive immediate updates by going through www.ngcoa.ca.

In our current tight employment market it is important to compete to get the best staff. If you are the best employer then you can attract the best. One of the ways to determine if you are the best employer is being aware of what others are doing. It is through comparing performance that operators are able to determine how well they are doing. Many senior managers are being compensated based on achieving financial and other measurable results. In the 2008 NGCOA Canada Compensation and Benefits Report, between 13% and 27% of participating operators report that management positions in the Pro Shop are being provided a bonus representing between 8% and 13% of their total compensation. The importance of having meaningful comparative numbers becomes personal and can have a direct impact on an employee's pay check. Performance reviews are often subjective but with access to industry benchmarks these numbers become objective and quantifiable.

WHAT'S IN IT FOR YOU

Another area where you will benefit from increased information is in getting to know your customer. How can you make the best decisions if you don't know where you stand relative to your client? Do you ask for feedback or provide comment cards? What do you do with this information? You are creating internal benchmarks. A consumer based golf survey can help to build a picture of "the golfer" in your market. A Canada-wide 2006 Ipsos Reid survey indicated that 61% of Canadian golfers are male and that there was a growth in female golfers

of 2.6% from 2001 to 2006. A survey of 444 Canadians through webpanels.org conducted by Optima Marketing indicated that 95% of players like to discover new courses, and the information about where to play comes predominately from referrals. When you get this information do you make any changes to your marketing plan?

Many associations and companies perform surveys and it is difficult for golf course operators to address all of the survey requests, especially during the peak season however it is the feedback from these surveys that will provide operators with a greater understanding of their position and operation. When determining if you are going to participate in a survey consider the following:

- costs
- confidentiality
- time required
- amount of detail requested
- capability of the company conducting the survey to collect, process and analyze the information
- what/who the information is being gathered for, etc.

ACCURATE INFORMATION

All operators, from multi-course to 9-hole par 3's, need to contribute in order to produce the most meaningful reports. Smaller operators who sometimes feel overwhelmed by the impact of the majority need to remember that everyone has something to offer. If you are a part of the industry you need to be

the Situation

Benchmarking is a Vital Information Tool

represented in the numbers. It is with increased participation that the numbers become more meaningful. In addition, the greater the number involved the more specific the data can become and will enable more detailed segmentation. Ask yourself if it is the best choice to make decisions based on benchmark reports that you have not participated in.

Once a participating facility receives the results they must use them wisely. Many benchmarking statements are made and on the surface appear to be logical. However as Elise Carpentier, Senior Manager, Global Golf Advisors Inc., advises: "Proper interpretation and analysis of the information being used in benchmarking is as important as the information itself. This interpretation, coupled with knowing when to appropriately apply the information, is necessary before taking action or drawing conclusions." She notes the following example of issues that should be considered when comparing course maintenance expense numbers: length of the playing season, quality level and price points, golf course design, characteristics of the land, soil composition, whether equipment is leased or owned, etc.

The goal is to ensure that a valid comparative analysis is performed.

For today's businesses accurate information is becoming more and more important when making decisions about the future of your company. Although the internet can provide a great deal of information it is not necessarily meaningful without being able to compare it. The need and value for benchmarking is here. Your participation is crucial to allow the results of these surveys to have the maximum meaning, impact and value.



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